Commonwealth of Massachusetts

Massachusetts State Lottery Commission
(MSLC)

REQUEST FOR RESPONSE (RFR)

for

SELF SERVICE/ PLAYER ACTIVATED TERMINAL

RFR #LOT 1113

Release Date: June 27, 2011

Response Due Date: August 24, 2011 1:00PM

GENERAL INFORMATION

General Information - The terms of 801 CMR 21.00: Procurement of Commodities and Services is incorporated by reference into this RFR. Words used in this RFR shall have the meanings defined in 801 CMR 21.00. Additional definitions may also be identified in this RFR. All terms, conditions, requirements, and procedures included in this RFR must be met for a Response to be determined responsive. If a Vendor fails to meet any material term, condition, requirement or procedure, its Response may be deemed unresponsive and disqualified.

Unless otherwise specified in this RFR all communications, responses, and documentation must be in English, all measurements must be provided in feet, inches, and pounds, equipment must be new and of current manufacturing models and unused, and all cost proposals or figures in U.S. Currency. All Responses must be submitted in accordance with the specific terms of this RFR. No electronic Responses may be submitted in response to this RFR. The MSLC will not assume nor be liable for any costs incurred by the Vendor in preparing and/or submitting a response to this RFR.

TERMS AND CONDITIONS

Access to Security-Sensitive Information. - This solicitation contains security-sensitive information which, pursuant to MGL c. 4, s. 7, cls. 26(n), is generally exempt from public disclosure under the Commonwealth's public records laws and must, for public safety purposes, be safeguarded from widespread public disclosure. This security-sensitive information is in the form of blueprints, plans, policies, procedures, schematic drawings, which relate to internal layout and structural elements, security measures, emergency preparedness, threat or vulnerability assessments, and/or any other records relating to the security or safety of persons (pursuant to M.G.L. c. 66A) or buildings, structures, facilities, utilities, transportation, information technology or other infrastructure located within the commonwealth.

Qualified prospective vendors that are interested in accessing this information for the purpose of preparing a bid response must, before being allowed to access the information, sign a confidentiality agreement, thereby agreeing to:

1. restrict the use of these sensitive records for any other purpose than as authorized and for the purpose of putting together a bid proposal;
2. safeguard the information while it is in their possession (consistent with Section 6 of the Commonwealth Terms and Conditions); and
3. return such records and materials to the Commonwealth upon completion of the project.

Alternatives- A response which fails to meet any material term or condition of the RFR, including the submission of required attachments, may lose points or be deemed unresponsive and disqualified. Unless otherwise specified, vendors may submit responses proposing alternatives which provide equivalent, better or more cost effective performance than achievable under the stated RFR specifications. These alternatives may include related commodities or services that may be available to enhance performance during the period of the contract. The response should describe how any alternative achieves substantially equivalent or better performance to that of the RFR specifications.

The MSLC will determine if a proposed alternative method of performance achieves substantially equivalent or better performance. The goal of this RFR is to provide the best value of commodities and services to achieve the procurement goals of the department. Vendors that propose discounts, uncharged commodities and services or other benefits in addition to the RFR specifications may receive a preference or additional points under this RFR as specified.

Contractors may also propose alternatives for equivalent, better or more cost effective performance than specified under the contractor's original response to enable the department to take advantage of enhanced technologies, commodities or services which become available during the term of the contract.

Arrearages- By submitting a response to this solicitation, each vendor represents that it is not in arrears in the payment of any obligations due and owing the State, including the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of the Master Contract if selected for Master Contract award**.**

Best Value Selection and Negotiation- The Procurement Management Team (PMT) may select the response(s) which demonstrates the best value overall, including proposed alternatives that will achieve the procurement goals of the department. The

PMT and a selected vendor, or a contractor, may negotiate a change in any element of contract performance or cost identified in the original RFR or the selected vendor's or contractor's response which results in lower costs or a more cost effective or better value than was presented in the selected vendor's or contractor's original response.

Business Profile/Change in Financial Condition- The MSLC reserves the right to request, at MSLC expense through the reporting system in place at the time, a business profile and financial condition report on any corporation, parent company, directors, principals, officers, partnerships or sole proprietorships involved in submitting a response to this RFR.

In addition, the MSLC reserves the right to obtain, from sources other than the vendor, information concerning the vendor, the vendor's capabilities and the vendor's performance under other contracts which the MSLC deems pertinent to this RFR and to consider such information when making an award.

Vendors shall be required to immediately inform the Executive Director of the MSLC in writing of any major change in the financial condition or organization of the company. Misrepresentation or failure of the Vendor to notify the MSLC shall be grounds for contract award cancellation and/or termination.

Comm-PASS- If this RFR has been distributed electronically using the Comm-PASS system, RFR attachments that are referenced are incorporated by reference into the RFR and are available as separate files within the Forms tab and Specifications tab of the Comm-PASS Solicitation record. OSD Forms are also available at www.mass.gov/osd under the Related Links section. While Comm-PASS offers optional, value-added, automated Comm-PASS Subscription Service on an annual-fee basis, all vendors are solely responsible for obtaining and completing the required attachments that are identified in this RFR and for checking Comm-PASS for any addenda or modifications that are subsequently made to this RFR or attachments. The Commonwealth and its subdivisions accept no liability for and will provide no accommodation to vendors who fail to check for amended RFRs/Requests for Quotes (RFQs) or any other procurement opportunities and subsequently submit inadequate or incorrect responses. Vendors are advised to check the Last Changed Date field on the Summary page or the Amendment History within the Other Information tab of RFRs for which they intend to submit a response in order to ensure that they have the most recent RFR files. Vendors may not alter (manually or electronically) the RFR language or any RFR component files. Modifications to the body of the RFR, specifications, terms and conditions, or which change the intent of this RFR are prohibited and may disqualify a response.

Comm-PASS Subscription Service- The Comm-PASS Subscription Service is sponsored by the Operational Services Division. This service offers a prospective vendor a secure, web-based desktop that contains tools to track and manage postings including solicitation announcements, Request for Responses (RFRs), and Contracts that match the subscriber-designated set of categories and sub-categories on the Commonwealth's Procurement Access and Solicitation System (Comm-PASS).

Comm-PASS Basic Service will provide a subscriber with:

- Secure web-based desktop within Enhanced Comm-PASS for document management.
- A customizable profile reflecting the vendor's product/service areas of interest.
- Refined commodity and service categories and sub-categories.
- Full-cycle, automated email alert whenever a solicitation of interest is posted or updated.
- Access to On-line Vendor Forums to allow for virtual attendance and participation.
- Tools to submit bids electronically to an encrypted lock-box.

Every public purchasing entity within the borders of Massachusetts may post their solicitations on Comm-PASS at no charge. Comm-PASS has the potential to become the sole site for reviewing and responding electronically to public solicitations in Massachusetts. Fees for the Comm-PASS Subscription Service are based on costs to operate, maintain and develop the Comm-PASS system.

Conflict of Interest- Prior to the award of any contract, the vendor shall certify in writing to the procuring agency that no relationship exists between the vendor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the vendor and another person or organization that constitutes a conflict of interest with respect to a state contract. No official or employee of the Commonwealth who exercises any function or responsibility in the review or approval of the undertaking or carrying out of this project shall, prior to the completion of this project, voluntarily acquire any personal interest, either directly or indirectly, in this contract or proposed contract.

The vendor shall provide assurance that it presently has no interest and shall not acquire any interest, either directly or indirectly, which will conflict in any manner or degree with the performance of its services hereunder. The vendor shall also provide assurances that no person having any such known interests shall be employed during the performance of this contract.

Contract Award- The Contract will be awarded to the Vendor with the lowest overall cost that has met all mandatory performance and business specifications provided it is the *"best value"* for the Commonwealth of Massachusetts. A procurement will be

considered in the best interest, or the *"best value"* when it: 1) supports the achievement of required performance outcomes; 2) generates the best quality and economic value; 3) is performed timely; 4) minimizes the burden on administrative resources; 5) expedites simple or routine purchases; 6) allows flexibility in developing alternative procurement and business relationships; 7) encourages competition, encourages the continuing participation of quality Vendors; and 8) supports Commonwealth and Department procurement planning and implementation. [801 CMR 21.01 (1)]

The PMT may select the response(s) which demonstrates the best value overall, including proposed alternatives which will achieve the procurement goals of the department. The PMT and a selected vendor, or a contractor, may negotiate a change in any element of contract performance or cost identified in the original RFR or the selected vendor's or contractor's response which results in lower costs or a more cost effective or better value than was presented in the selected vendor's or contractor's original response.

Contract Documents - The contract between the MSLC and the successful Vendor will include as integral parts thereof:

- **Commonwealth Terms and Conditions (See Attachment A)**
- **Standard Contract Form (See Attachment B)**
- **This RFR and amendments thereto**
- **Vendors response and amendments thereto**

In the event of a conflict in language between any of the above mentioned documents, the provisions and requirements set forth or referenced in the Commonwealth Terms and Conditions and this RFR with the amendments shall govern. In the event that an issue is addressed in the response that is not addressed in the RFR, no conflict in language shall be deemed to occur.

Contract Expansion- If additional funds become available during the contract duration period, the department reserves the right to increase the maximum obligation to some or all contracts executed as a result of this RFR or to execute contracts with contractors not funded in the initial selection process, subject to available funding, satisfactory contract performance and service or commodity need.

Costs- Costs which are not specifically identified in the vendor's response, and accepted by a department as part of a contract, will not be compensated under any contract awarded pursuant to this RFR. The Commonwealth will not be responsible for any costs or expenses incurred by vendors responding to this RFR.

E**lectronic Communication/Update of Vendor's/Contractor's Contact Information**- It is the responsibility of the prospective vendor and awarded contractor to keep current the email address of the vendor's contact person and prospective contract manager, if awarded a contract, and to monitor that email inbox for communications from the PMT, including requests for clarification. The PMT and the Commonwealth assume no responsibility if a prospective vendor's/awarded contractor's designated email address is not current, or if technical problems, including those with the prospective vendor's/awarded contractor's computer, network or internet service provider (ISP) cause email communications sent to/from the prospective vendor/awarded contractor and the PMT to be lost or rejected by any means including email or spam filtering.

Electronic Funds Transfer (EFT)- All vendors responding to this RFR will be required to participate in the Commonwealth Electronic Funds Transfer (EFT) program for receiving payments, unless the Vendor can provide compelling proof that it would be unduly burdensome. EFT is a benefit to both contractors and the Commonwealth because it ensures fast, safe and reliable payment directly to contractors and saves both parties the cost of processing checks. Contractors are able to track and verify payments made electronically through the Comptroller's Vendor Web system. A link to the EFT application can be found on the OSD Forms page (www.mass.gov/osd). Additional information about EFT is available on the VendorWeb site (www.mass.gov/osc). Click on MASSfinance.

Successful Vendors will be required to enroll in EFT as a contract requirement by completing the *Authorization for Electronic Funds Payment Form*. Because the *Authorization for Electronic Funds Payment Form* contains banking information, this form, and all information contained on this form, shall not be considered a public record and shall not be subject to public disclosure through a public records request. If the Vendor is already enrolled in the program, the vendor will be able to indicate so in its response.

The requirement to use EFT may be waived by the PMT on a case-by-case basis if participation in the program would be unduly burdensome on the Vendor. If a Vendor is claiming that this requirement is a hardship or unduly burdensome, the specific reason must be documented in its response. The PMT will consider such requests on a case-by-case basis and communicate the findings with the Vendor.

Emergency Standby Commodities and/or Services- Due to a declaration of a state of emergency where the safety and well-being of Commonwealth citizens are at risk, the Commonwealth of Massachusetts may request specific commodities and/or services from its contractors. Contractors may be called upon to supply and/or deliver to the MSLC on a priority basis such commodities and/or services currently under contract. Such accommodations may be requested from a contractor during an actual emergency. To accommodate such requests, contractors may be requested and must make every effort to service these requests from regular sources of supply at the rates set forth in any standard contract resulting from this RFR.

Environmentally Preferable Products and Services- The MSLC and the contractor(s) may negotiate during the contract term to permit the substitution or addition of Environmentally Preferable Products (EPP's) when such products are readily available at a competitive cost and satisfy the MSLC's performance needs.

Environmental Response Submission Compliance- In an effort to promote greater use of recycled and environmentally preferable products and minimize waste, all responses submitted should comply with the following guidelines:

- All copies should be printed double sided.
- All submittals and copies should be printed on recycled paper with a minimum post-consumer content of 30% or on tree-free paper (i.e. paper made from raw materials other than trees, such as kenaf). To document the use of such paper, a photocopy of the ream cover/wrapper should be included with the response.
- Unless absolutely necessary, all responses and copies should minimize or eliminate use of non-recyclable or non re-usable materials such as plastic report covers, plastic dividers, vinyl sleeves and GBC binding. Three ringed binders, glued materials, paper clips and staples are acceptable.
- Vendors should submit materials in a format which allows for easy removal and recycling of paper materials.
- Vendors are encouraged to use other products which contain recycled content in their response documents. Such products may include, but are not limited to, folders, binders, paper clips, diskettes, envelopes, boxes, etc. Where appropriate, vendors should note which products in their responses are made with recycled materials.
- Unnecessary samples, attachments or documents not specifically asked for should not be submitted.

Estimated Provisions- The Commonwealth makes no guarantee that any Commodities or Services will be purchased from any Contract resulting from this RFR. Any estimates or past procurement volumes referenced in this RFR are included only for the convenience of Vendors, and are not to be relied upon as any indication of future purchase levels.

Freight- Unless otherwise specified, all products and services shall be "FOB Destination". The MSLC will not assume any separate freight, mileage, travel time or any other associated charges in addition to the bid price. Any charges of this nature must be included in the bid price.

HIPAA: Business Associate Contractual Obligations - Vendors are notified that any department meeting the definition of a Covered Entity under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) will include in the RFR and resulting contract sufficient language establishing the successful vendor's contractual obligations, if any, that the department will require in order for the department to comply with HIPAA and the privacy and security regulations promulgated thereunder (45 CFR Parts 160, 162, and 164) (the Privacy and Security Rules). For example, if the department determines that the successful vendor is a business associate performing functions or activities involving protected health information, as such terms are used in the Privacy and Security Rules, then the department will include in the RFR and resulting contract a sufficient description of business associate's contractual obligations regarding the privacy and security of the protected health information, as listed in 45 CFR 164.314 and 164.504 (e), including, but not limited to, the vendor's obligation to: implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the protected health information (in whatever form it is maintained or used, including verbal communications); provide individuals access to their records; and strictly limit use and disclosure of the protected health information for only those purposes approved by the department. Further, the department reserves the right to add any requirement during the course of the contract that it determines it must include in the contract in order for the department to comply with the Privacy and Security Rules. Please see other sections of the RFR for any further HIPAA details, if applicable.

Information Technology - All IT systems and applications developed by, or for Executive department agencies or operating within the Massachusetts Access to Government Network (MAGNet), must conform with the Enterprise Information Technology Policies, Standards and Procedures promulgated by the Commonwealth's CIO. Non-conforming IT systems cannot be deployed unless the purchasing agency and their contractor have jointly applied for and received in writing from the Commonwealth's CIO or his designee, notice that a specified deviation will be permitted. The Enterprise Information Technology Policies, Standards and Procedures, with the exception of the Enterprise Public Access Policy For e-Government Applications and the Enterprise Public Access For e-Government Applications Standards, are available at mass.gov/itd. The Enterprise Public Access Policy For e-Government Applications and the Enterprise Public Access For e-Government Applications Standards are available in hard copy from the purchasing agency. Purchasing agencies may also obtain a current copy of these documents, on behalf of their contractor, by contacting the Information Technology Division's CommonHelp group at commhelp@state.ma.us or 1 (866) 888-2808.

Please Note: Given the pace of information technology innovation, purchasing agencies and their contractors are encouraged to contact the Information Technology Division's CommonHelp group at commhelp@state.ma.us or 1 (866) 888-2808 to signal a system or application design and development initiative. Such advance notice helps to ensure conformance with the relevant Enterprise Technology Policies, Standards and Procedures.

Contractor delivery of IT systems and applications that fail to conform to the Commonwealth's Enterprise Information Technology Policies, Standards and Procedures, absent the Commonwealth CIO's grant of written permission for a deviation, shall constitute breach of any contract entered as a result of this Request for Response and any subsequent Request for Quotes. The Commonwealth may choose to require the contractor, at his own cost, to re-engineer the non-conforming system for the purpose of bringing it into compliance with Commonwealth Enterprise Information Technology Policies, Standards and Procedures.

Information Technology - Clarification of Language in Section 11, Indemnification of the Commonwealth Terms and Conditions. Required for the following object codes within the "Expenditure Classification Handbook" as issued by the Office of the Comptroller:

CODE	TITLE
U01	Telecommunications Services Data
U02	Telecommunications Services Voice
U03	Software and Information Technology (IT) Licenses
U04	Information Technology (IT) Chargeback
U05	Information Technology (IT) Professionals
U06	Information Technology (IT) Cabling
U07	Information Technology (IT) Equipment
U08	Information Technology (IT) Equipment TELP Lease-Purchase
U09	Information Technology (IT) Equipment Rental or Lease
U10	Information Technology (IT) Equipment Maintenance and Repair
U75	Advance Administrative Expenses
U98	Reimbursement for Travel Expenses for IT Professionals

Pursuant to Section 11. Indemnification of the Commonwealth Terms and Conditions, the term "other damages" shall include, but shall not be limited to, the reasonable costs the Commonwealth incurs to repair, return, replace or seek cover (purchase of comparable substitute commodities and services) under a contract. "Other damages" shall not include damages to the Commonwealth as a result of third party claims, provided, however, that the foregoing in no way limits the Commonwealth's right of recovery for personal injury or property damages or patent and copyright infringement under Section 11 nor the Commonwealth's ability to join the contractor as a third party defendant. Further, the term "other damages" shall not include, and in no event shall the contractor be liable for, damages for the Commonwealth's use of contractor provided products or services, loss of Commonwealth records, or data (or other intangible property), loss of use of equipment, lost revenue, lost savings or lost profits of the Commonwealth. In no event shall "other damages" exceed the greater of $100,000, or two times the value of the product or service (as defined in the contract scope of work) that is the subject of the claim. Section 11 sets forth the contractor's entire liability under a contract. Nothing in this section shall limit the Commonwealth's ability to negotiate higher limitations of liability in a particular contract, provided that any such limitation must specifically reference Section 11 of the Commonwealth Terms and Conditions.

Insurance- Vendor shall maintain, throughout the term of the contract the type of insurance as set forth below:

Workers Compensation Insurance for officers, employees and agents employed in connection with this contract in accordance with applicable law, including the laws of the Commonwealth of Massachusetts as well as the laws of any other state where the Contractor maintains its principal place of business with a limit of at least two hundred thousand dollars ($200,000) per occurrence with an annual aggregate of one million dollars ($1,000,000).

Vehicle Liability Insurance covering owned, non-owned, substitute and hired vehicles in accordance with applicable laws, including, but not limited to, the automobile insurance laws of the Commonwealth of Massachusetts, and any other states where the Contractor maintains its principal place of business with a combined single limit annual aggregate of one million dollars ($1,000,000).

Commercial General Liability Insurance for all damages arising out of bodily injury or death, or damage to personal or real property incurred with respect to work performed under this contract. Said insurance shall provide for bodily injury and property damage coverage liability limits of one million dollars ($1,000,000) per person with an annual aggregate of three million dollars ($3,000,000) per event.

The vendor shall provide certificates of insurance evidencing such coverage to the MSLC within 10 days of the date of execution of the contract by the vendor and the MSLC. Failure to provide and maintain such insurance shall be deemed a breach of contract, and may, at the sole discretion of the MSLC operate as an immediate termination hereof. Each policy of insurance shall expressly provide 60 days prior notice by the insurer to the MSLC of any intent to cancel, failure to renew or material change in the coverage identified above. The automobile liability insurance and the commercial general liability insurance policies shall identify the

MSLC as an additional insured. All insurance shall be maintained from an insurance carrier authorized to conduct business in the Commonwealth of Massachusetts.

Mandatories and Desirables- Mandatory specifications in this RFR are identified with the words "must", "shall", "will", "mandatory", or "is required". However, Vendors must assume that every specification included herein is a mandatory specification, unless it is clearly indicated to be otherwise. A mandatory specification is one that must be met in order for a response to be considered responsive. Any response, which fails to meet a mandatory specification of the RFR, will be deemed non-responsive and will be disqualified. Desirable specifications are designated with the words, "is desired", "desirable", and "highly desirable". Unless there is an explicit indication to the contrary stated in this RFR, Vendors may receive evaluation points for "desirable" goods and services.

Minimum Bid Duration- Vendor responses/bids made in response to this RFR must remain in effect for 90 days from the date of bid submission.

News Releases- The successful Vendor shall not issue any news releases, advertising or promotional materials pertaining to the performance of the contract without prior approval by the Executive Director of the MSLC.

Ownership of Responses- All documentation, materials, data, etc., submitted in response to this RFR shall become the property of the MSLC and will not be returned to the Vendor. Vendors are cautioned that ideas, techniques, information, etc., submitted as part of the Vendors response may be used by the MSLC without separate payment to the Vendor or Sub-Contractors.

Payments- Payment shall be made for services only after such services have been delivered and accepted by the MSLC. Payments shall be made only in arrears. No advance payments can be made to Vendors. Payment will be made 45 days after acceptance and following receipt of invoice.

Pricing: Federal Government Services Administration (GSA) or Veteran's Administration Supply – The MSLC reserves the right to request from the successful vendor(s) initial pricing schedules and periodic updates available under their GSA or other federal pricing contracts. In the absence of proprietary information being part of such contracts, compliance for submission of requested pricing information is expected within 30 days of any request. If the contractor receives a GSA or Veteran's Administration Supply contract at any time during this contract period, it must notify the MSLC contract manager.

Pricing: Price Limitation – The vendor must agree that no other customer of similar size and similar terms and conditions shall receive a lower price for the same commodity and service during the contract period, unless this lower price is immediately effective for the MSLC. The vendor must also agree to provide current or historical pricing offered or negotiated with other governmental or private entities at any time during the contract period upon request of the contract manager.

Prime Contractor Responsibility- The MSLC requires a single point of responsibility for performance of any Contract that may result from this RFR. Subcontractors may be used, but the Prime Contractor must accept full responsibility for the subcontractor's performance. All subcontractors must be identified by the Prime Contractor and the Prime Contractor must describe the type of contractual arrangement that will exist with all subcontractors. The Prime Contractor shall be responsible for meeting all of the terms of the Contract resulting from the RFR. Prior approval of the department is required for any subcontracted service of the contract. Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors. Subcontractors are required to meet the same state and federal financial and program reporting requirements and are held to the same reimbursable cost standards as contractors.

Public Records- All responses and information submitted in response to this RFR are subject to the Massachusetts Public Records Law, M.G.L., c. 66, § 10, and to c. 4, § 7, cl. 26. Any statements in submitted responses that are inconsistent with these statutes shall be disregarded.

Reasonable Accommodation- Vendors with disabilities or hardships that seek reasonable accommodation, which may include the receipt of RFR information in an alternative format, must communicate such requests in writing to the contact person. Requests for accommodation will be addressed on a case by case basis. A vendor requesting accommodation must submit a written statement which describes the vendor's disability and the requested accommodation to the contact person for the RFR. The PMT reserves the right to reject unreasonable requests.

Rejection of Bids- The MSLC may reject any and all bids in response to this RFR if it deems it is in its best interest to do so. The MSLC may also reject any and all bids for any of the following reasons:

a) fails to adhere to one or more of the provisions established in this RFR;
b) fails to submit its bid at the time or in the format specified herein, or to supply the minimum information requested herein;
c) fails to meet unconditionally all of the mandatory performance and business specifications of this RFR;
d) fails to state in writing its acceptance of the mandatory terms and conditions in Attachment A of this RFR as they appear in Attachment A without change or alteration;
e) fails to submit its bid, to the required address, before or on the deadline date established by the Procurement Calendar;
f) materially misrepresents its services or provides demonstrably false information in its bid;
g) fails to submit costs on the Cost Table (Attachment C), or to guarantee the costs for 90 days;
h) refuses to provide clarification, if requested by the Procurement Committee; or
i) fails to sign a Contract within ten (10) business days of receipt of the Contract for signing.

Restriction on the Use of the Commonwealth Seal- Vendors and contractors are not allowed to display the Commonwealth of Massachusetts Seal in their bid package or subsequent marketing materials if they are awarded a contract because use of the coat of arms and the Great Seal of the Commonwealth for advertising or commercial purposes is prohibited by law.

Revisions to this RFR- If it becomes necessary to revise any part of this RFR, or if additional data is necessary to clarify any of its provisions, a supplement will be mailed or faxed to Vendors who have obtained a copy of the RFR directly from the MSLC and not by any other means or subscriptions.

RFR Cancellation- The MSLC reserves the right to cancel this bid at any time before a Contract has been executed and approved, in which event the MSLC will reject any and all bids received in response to this RFR. Should the bid be canceled, all expenses related to preparation of response to this RFR remain the responsibility of the Vendor.

Service Representative - The selected Vendor must assign (a) service representative(s) which the MSLC may contact regarding the service performance during the contract term. The MSLC reserves the option to require this individual(s) be replaced if it finds that the individual(s) is not responsive or compatible.

Small Business Purchasing Program (SBPP) -Vendor (Procurements between $5,000.00 and $150,000.00 only)
Small Business Preference – Special consideration will be given to eligible small businesses responding to this procurement who participate in the Small Business Purchasing Program (SBPP). To determine eligibility and to participate in the SBPP, please review the requirements and general program information at www.mass.gov/sbpp. The Department intends to provide SBPP eligible vendors with a 10% preference in the evaluation process.

Supplier Diversity Program (SDP)- Massachusetts Executive Order 524 established a policy to promote the award of State Contracts in a manner that develops and strengthens Minority and/or Women Business Enterprises (M/WBEs). As a result, M/WBEs are strongly encouraged to submit bid responses to this RFR, either as prime vendors, joint venture partners or subcontractors. All Bidders, regardless of their certification status, are required to submit a completed SDP Plan Form as part of their response for evaluation. It is required that Supplier Diversity Program (SDP) participation accounts for no less than 10% of the total points in the evaluation. Higher evaluation points may be awarded to SDP Plans that show more commitments for use of certified vendors in the primary industry directly related to the scope of the RFR, subcontracting expenditures and partnerships for the purpose of contracting with the Commonwealth.

The PMT **requires** bidders to make a significant commitment to partner with certified Minority- and Women-Owned Businesses in order to be awarded a contract. A Supplier Diversity Office (SDO), formerly known as SOMWBA, certified Bidder may not list itself (or an affiliate) as being a Supplier Diversity Program (SDP) partner to its own company. In addition, a narrative statement can be included to supplement the SDP Plan Form providing further details of the SDP commitments. The submission of this narrative statement does not replace the requirement of the SDP Plan Form. Bidders must submit one form for each M/WBE SDP Relationship. **Please note that no bidder will be awarded a contract unless and until they agree to commit to at least one (1) of following three (3) SDP Components selected by the PMT:**

1. **Subcontracting:** If Bidder commits to Subcontracting in their SDP plan, then they must commit to subcontract a specific dollar amount, or a minimum percentage of dollars earned through an awarded contract, with a SDO certified company or a company that has applied for certification. Although this is only one of several options to meet the requirements for

participation in the Affirmative Market Program, Bidder's submission of subcontracting commitments may be weighted most heavily. The PMT will set timelines for progress reviews (either quarterly or semi-annually) for the purpose of compliance and tracking of submitted commitments. Please note that all subcontracting partnerships require inclusion of that contract between the Bidder and the M/WBE subcontractor in the Bidder's bid package.

2. **Ancillary Uses of Certified M/WBE Firm(s):** If a Bidder commits to Ancillary Uses of certified M/WBE Firm(s) (or companies that have applied for certification) in their SDP plan, then they must include dollar or percentage expenditure commitments for use of these firm(s) with or without the use of written commitments between the Bidder and the M/WBE Firm(s). A description of the ancillary uses of certified M/WBEs, if any, must be included on the SDP Plan Form.

3. **Growth & Development:** If a Bidder commits to Growth and Development in their SDP plan, then they must submit a plan for education, training, mentoring, resource sharing, joint activities, and assistance that would increase industry capacity and the pool of qualified SDO certified companies.

Once an SDP Plan is submitted, negotiated and approved, the PMT will then monitor the contractor's performance. **Resources available to assist Prime Bidders in finding potential M/WBE partners can be found at:**
SDP Procurement Resources and Guides or www.mass.gov/sdp

Supplier Diversity Program Subcontracting Policies- Prior approval of the agency is required for any subcontracted service of the contract. Agencies may define required deliverables including, but not limited to, documentation necessary to verify subcontractor commitments and expenditures with Minority- or Women-Owned Business Enterprises (M/WBEs) for the purpose of monitoring and enforcing compliance of subcontracting commitments made in a vendor's Supplier Diversity Program (SDP) Plan. Contractors are responsible for the satisfactory performance and adequate oversight of its subcontractors.

Taxes, Fees, Assessments, Etc.- Vendors must pay all taxes, fees and assessments associated with furnishing the products as part of the contract.

Trademarks, Patents, Etc.- Unless otherwise clearly stated in this RFR, any reference to a particular trademark, trade name, patent, design, type, specification, producer or supplier is not intended to restrict this RFR to any manufacturer or proprietor or to constitute an endorsement of any good or service, and the MSLC may consider clearly identified offers of substantially equivalent goods and services submitted in response to such reference.

Vendor Communication- Vendors are prohibited from communicating directly with any employee of the procuring department or any member of the PMT regarding this RFR except as specified in this RFR, and no other individual Commonwealth employee or representative is authorized to provide any information or respond to any question or inquiry concerning this RFR. Vendors may contact the contact person for this RFR in the event this RFR is incomplete or the vendor is having trouble obtaining any required attachments electronically through Comm-PASS

The Procurement Management Team ("PMT") reserves the right to modify, amend or cancel the terms of this RFR at any time.

Section I - Purpose of Procurement

The Massachusetts State Lottery Commission (MSLC) intends to acquire technical, business and cost responses for Self Service/Player Activated Terminal (PAT), which may be operated directly by players.

Section II - Acquisition Method

This procurement will be an outright purchase.

Section III - Single or Multiple Contractor Contract

The MSLC intends to award a single contract as a result of this procurement, but reserves the right to award multiple contracts.

Section IV - Single or Multiple Users

It is the intent of this contract that the MSLC is the only user.

Section V - Anticipated Duration of Contract

Any contract resulting from this RFR shall be for the period of three (3) years commencing on the resulting contract start date.

The MSLC shall have the option to extend the term of any Contract(s) resulting from this RFR for up to two (2) one year periods. The MSLC shall exercise its option by submitting written notice to the Vendor at least thirty (30) days prior to the termination.

Section VI - Anticipated Expenditures

The expenditure associated with this procurement is to be determined.

If, due to unforeseen circumstances, the scope of services is substantially changed or modified, the MSLC maintains the right to amend the contract and increase or decrease the maximum obligation in order to obtain the best value.

The Vendor will be bound by the terms of the contract and the MSLC will not be responsible for price increases due to market fluctuations or product availability.

Section VII - Performance and Contract Specifications

A. Performance Requirements

Part 1 – GENERAL INFORMATION

General

Vendors must certify in its proposal that it meets the requirements listed below and describe how it meets each requirement. Vendors must respond with as much detail as it feels would be helpful to the MSLC in determining the Vendors ability to meet the specifications. If the vendor cannot meet the specifications, the Vendor must specifically describe how it fails to meet the specifications and describe any alternatives to the specifications which cannot be met.

Scope

This procurement is for a Self Service/Player Activated Terminal. The MSLC describes this as a device connected to the MSLC network that dispenses all MSLC products (instant, lotto, keno, etc.).

The response to this RFR requires:

A detailed analysis of the information and requirements relating to Instant Tickets and the dispensing unit contained in these specifications.

Submission of one (1) sample of each unit contained in the Vendors response to the MSLC for testing and analysis purposes.

Vendors must provide any set up required making the machine ready for use and providing instructions to the appropriate MSLC personnel regarding the operation and use of the machine.

The sample machine is to be delivered to:
Massachusetts State Lottery Commission
60 Columbian Street
Braintree, MA 02184

Vendors must contact Owen Doherty at 781-849-5571, three (3) days prior to delivery of the machine for delivery instructions and machine prep/MSLC instruction time.

Possible arrangements for visits by MSLC Procurement Team members to vendor manufacturing facilities for the purposes of inspecting equipment and procedures to be employed in the manufacture of the Player Activated Terminal. Costs for visits shall be at the MSLC's expense.

Possible participation in one or more informal discussion sessions with the Procurement Team, regarding the vendor's proposal, production plan, manufacturing facility, etc. Such discussions would occur upon request of the MSLC and after Proposal submission date.

The sample machine will not become the property of the MSLC. At the conclusion of the RFR process, only the successful Vendors' machine(s) will be retained by the MSLC until the first acceptable shipment of the product have been received. All other machines must be removed within two (2) weeks by the Vendors at the conclusion of the RFR process**.**

PART 2 - TECHNICAL SPECIFICATIONS

The following specifications apply to the Player Activated Terminal (See Part 3 – Player Activated Terminal Configurations) covered by this RFR.

General

1. Player Activated Terminal should meet all ADA standards, including external signage and adaptations, please explain how this is achieved.
2. Units must have upgrade capabilities to accommodate changing technology in instant ticket or lottery products.
3. Vendors must describe in detail how a new game release (instant and on-line) is accomplished and what is required on the part of the MSLC and the successful Vendor. In addition, any costs associated with a new game release, if any, must be completely itemized and **submitted separately in Part H of the Cost Table**. **Cost figures must not be submitted as part of the response to this section of the RFR**. It is **desirable** that the method used for a new game release be as efficient and cost effective as possible.
4. Vendors must provide a listing of all the states where the Player Activated Terminal submitted, as part of the response to this RFR, are currently installed or have been installed within the past year. In addition, Vendors must provide the name and contact method (telephone, fax and email) for an individual from which information such as sales volume, repair history, etc., may be obtained. It is **desirable** that the terminal sales volumes, repair history, etc., as shown from the information obtained be as complete and efficient as possible.
5. It is **mandatory** that the Player Activated Terminal exist on the lottery private dedicated network as a MSLC Agent Lottery terminal. It is **desirable** that this be accomplished with little or no assistance by MSLC personnel.
6. The software updates must be accomplished using the MSLC's current terminal software updates/messaging configuration. Vendor must describe their solution in detail.
7. It is **mandatory** that if Vendors solution includes external hardware for the reporting of instant ticket product, that the hardware reside at the MSLC primary and backup sites. Any costs associated with external hardware must be submitted separately in the Cost Table Part J. Cost figures must not be submitted as part of the response to this section of the RFR.

Electrical

1. Player Activated Terminal must be UL and FCC approved. Each terminal must clearly display these approvals and requirements on its exterior.
2. Player Activated Terminal must operate from a single standard dedicated 115 volt AC 20 AMP, 3 wire circuit.
3. Player Activated Terminal must have internal surge protection in the event of a power surge.
4. Electrical cable must be at least 9' long.
5. A back-up power supply must be provided for the express purpose of saving, retrieving and displaying information in the Player Activated Terminal (such as, at a minimum, player credits, inventories and sales information). The backup power supply must provide power long enough to enable the Player Activated Terminal to write all information to nonvolatile memory.
6. Player Activated Terminal must have wireless in-store remote shutdown capability.
7. Vendor must state the power usage of all products submitted as part of this RFR. It is **desirable** that the Player Activated Terminal be as energy efficient as possible
8. Each Player Activated Terminal must include an audible alarm (with a manual on/off switch) to signal power loss and tilt alarm. The alarm shall run until disarmed.

9. Player Activated Terminal must automatically generate a sales/inventory report in the event of a power failure.
10. Player Activated Terminal must complete any transaction in progress before shutting down during a power outage.
11. It is **desirable** that the Player Activated Terminal is fully functional without 110-volt power (short term power outage).
12. It is **desirable** that the Player Activated Terminal include a button or device that completely resets the entire system (without zeroing out totals) including the bill acceptor.

Reporting

NOTE: THE MSLC WILL ESTABLISH ALL SECURITY AND ACCESS PARAMETERS FOR ALL REPORTS.

1. All of the following reports must be printable at the Player Activated Terminal.
2. Player Activated Terminal must provide, at a minimum, the following reports:
   a. Current day sales, including sales by bin.
   b. Shift report, including sales by bin.
   c. Current week sales, including sales by bin. (Sun -> Sat)
   d. Previous week sales, including sales by bin. (Sun -> Sat)
   e. Previous day sales report, including sales by bin. (Each of the past 7 days)
   f. Lifetime sales (total sales from the Player Activated Terminal since installation). This life time sales amount must be re-settable to zero when the terminal is relocated.
   g. Ticket inventory by bin, including number of tickets, game number and dollar amount of inventory.
   h. Currency transaction report that shows, at a minimum, all activity from the time the currency was deposited into the machine to the time the accumulated credit is returned to zero dollars. This report should show the last 10 historical transactions from the last printed report.
   i. Security report showing when the machine was accessed and by whom.

3. Reports printed at the Player Activated Terminal must use current (sales up to the moment) reporting.
4. Player Activated Terminal reports must be easily produced, read and understood.
5. Player Activated Terminal reports must be producible at any time without clearing or affecting data stored in the machine.
6. All report information must be archived for a minimum of 181 days. If a Player Activated Terminal is exchanged for another Player Activated Terminal, the retailer sales history must be easily transferred to the new Player Activated Terminal at the time of exchange.
7. Player Activated Terminal must contain a single time setting that defines the beginning of the sales day. The beginning time must be established at the time of installation. The default from the factory must be midnight.
8. Player Activated Terminal reports must show all activity in the Player Activated Terminal (e.g., door opened, tickets added to inventory in bin #X, bill acceptor opened, etc.) connected to the password of the person who performed the activity.
9. It is **desirable** that authorized MSLC personnel can view Terminals' instant ticket inventory as of that point in time at the agent location.
10. It is **desirable** that Player Activated Terminal reports are generated from the Terminal without opening the machine.

11. It is **desirable** that the Player Activated Terminal can integrate with the "back office" and "off the shelf" systems at retailer locations. Vendor must describe in detail the systems which can integrate with retailer systems. It is also **desirable** that it be done via generic format (XML, CSV, TXT, etc.).
12. All accounting features must be tamper-proof.
13. It is **desirable** that all reports that are generated by any of the Player Activated Terminal specified in this RFR be similar in terms of how they are generated, report format, etc.
14. It is **desirable** that the above reports interface as in #11 above and that the above reports only be available to MSLC personnel at MSLC offices. It is also **desirable** that these reports reflect "on-line real time" reporting. Vendors must describe in detail the process of which this will be done. It is **mandatory** that if Vendors solution includes external hardware for the reporting of instant ticket product, that the hardware reside at the MSLC primary and backup sites.
15. It is **highly desirable** that the vendors Player Activated Terminal have communicated with a GTECH PROSYS system. Please list the names of existing lotteries, etc.
16. It is **desirable** to have the ability to see, from all MSLC offices, all maintenance issues of the individual terminal.
17. As stated previously, it is **mandatory** that all Player Activated Terminal on-line reporting sent to MSLC offices be accomplished on the MSLC existing platform. Vendors must describe the reporting to the MSLC offices in detail. It is **highly desirable** that no changes be required by MSLC.
18. In the event that software changes are needed for the lotto matrix, new on-line games, etc, the Player Activated Terminal must be capable of being down line loaded over the MSLC existing/future network. Down line loads are usually run between 2AM and 5AM. Vendor must describe how this will be accomplished without interfering with the down line load and functionality of the current ISYS terminal.

Communications

On-line communications between the Player Activated Terminal and MSLC offices is **required**. The current platform in use at MSLC is:

OLTP Servers:	Multiple HP Alpha 4100s
Operating system:	Open VMS v. 6.2
Application system:	ProSys v. 5.0
Current Agent Terminal:	GTECH ISYS Lottery Terminal
Terminal Network:	IP Frame relay network
Communication Processor: (for PAT)	GTECH ES-Connect version 3.6

The communications between the Player Activated Terminal and the MSLC On-Line Transaction Processors must use IP (Internet Protocol) communications protocol. The Player Activated Terminal must be comprised of a communications module and the module must be configurable to handle many communication methods (e.g. Frame Relay, Wireless, etc.). It is **desirable** that the response include all the network management services available to the MSLC such as configuration management, Fault management, performance management and security management. Please provide a description of all available services.

The bidder's design for communications configuration management must include the proposed end to end connectivity strategy from the retailers Player Activated Terminal and the MLSC OLTP data centers. This strategy must conform to the existing MSLC procedures for sending transactions, in the event of a Primary system failure to the Backup processors/Data Center without manual intervention and recover to the primary data center when restored.
The bidder's design for Fault management must include how failing Player Activated Terminals are logged as non-responding and if the bidder's solution supports network remote boot.

The bidder's design for Performance management must include how real-time monitoring of the Player Activated Terminal is conducted, what alarm notification and performance statistics are available to the MSLC.

The Bidder's design for Security management must include how the Player Activated Terminal restricts any unauthorized access to any MSLC systems and/or users that utilized access in supporting the MSLC OLTP systems and show how any ports either not in use or unused are to be logically and/or physically secured.

The bidder's design must state the required anticipated bandwidth the Player Activated Terminal will require at the retailers site to support transaction processing as well as software or any other data download to the Terminal. It is **desirable** that the bandwidth usage be as low as possible.

It is **desirable** that the Player Activated Terminal supports other IP peripherals within a retailer's site. The bidder must demonstrate how multiple IP addresses will be handled and show the scalability of the IP network design.

It is **highly desirable** that the proposed Player Activated Terminal already be installed and functioning using ES-Connect. List locations and contacts information for these terminals.

PLAYER ACTIVATED TERMINAL

1. It is **mandatory** that all Player Activated Terminal reporting, sent to MSLC offices, be accomplished on the MSLC existing platform. Vendors must describe the reporting to the MSLC offices in detail. It is **highly desirable** that no changes be required by the MSLC.
   The MSLC's current platform is stated on page 14 of the RFR. Data formats of the ProSys application are proprietary to the GTECH Corporation. It is **mandatory** that the vendor provide the initial terminal software application for the proposed PAT. It is **desirable** that vendor already have access to ProSys Version 5.0 terminal message formats in order to create an initial terminal application for the proposed PAT. If required, the MSLC will work with the winning vendor to come to agreement on the transfer of necessary data, however, it is still the vendor's responsibility to make the proposed PAT function as stated in the RFR. All data (wagers, cashes, cancels, special reports, etc.) from the Player Activated Terminal must be conveyed or transmitted in a format that is compatible with the MSLC's current on-line system.
2. The MSLC has a "send-to-cut" time of a maximum of 3.5 seconds. It is **mandatory** that all transactions to/from the PAT conform to this requirement.
3. It is **mandatory** that all PAT's purchased as a result of this RFR be pre-loaded with all terminal software necessary to:
   i. Purchase wagers for all our current on-line games
   ii. Produce a barcode on all printed wagers, that is readable by all other terminals on the MSLC network
   iii. Read all MSLC current bet slips
   iv. Produce all MSLC special reports
   v. Cash all on-line and Instant Game tickets
   vi. Read barcodes printed by MSLC ISYS terminals
   vii. Read interleaved 2/5 barcodes used on Instant Game tickets and pack activation cards

   Please Note- the one (1) sample unit to be supplied by the vendor and used by MSLC for evaluation purposes does not have to meet these requirements.
4. Vendors must describe in detail the connectivity required to operate the proposed Player Activated Terminal with the MSLC current on-line system and include all related costs, if any, to provide the

necessary hardware and software to accomplish a complete solution utilizing all the diagnostic, reporting, alarm, etc., capabilities in the Player Activated Terminal. In addition, any costs associated with the connection and/or accessing of the Player Activated Terminal from the existing agent lottery terminal, if any, must be completely itemized and **submitted separately in Parts A and B of the Cost Table**. **Cost figures must not be submitted as part of the response to this section of the RFR**. It is **desirable** that the connection method be as efficient and cost effective as possible.

5. It is **desirable** that the Player Activated Terminal include encrypted wireless technology to give the machine mobility. All wireless solutions must be secure and must be approved by the MSLC.
6. It is **desirable** that the Player Activated Terminal be designed to be as "User Friendly" as possible allowing players to select their favorite numbers as well as quick picks.
7. The MSLC is not a facilities management site. As a result, we maintain all hardware and software. Vendor's response is to include technology transfer. Any cost associated with this is to be included in the Cost Table Part D.

Construction/Appearance

1. All components within the Player Activated Terminal must be modular and allow for complete component replacement.
2. Cabinet and window surface construction must be sturdy, durable and resistant to fading, marring, scratching, chipping and rusting. Window material must be resistant to breaking, shattering, scratching and theft.
3. Exterior surface finish must allow easy adherence and removal of POS pieces and/or decals.
4. The graphics (colors designs etc.) will ultimately be per the specifications of the MSLC.
5. Graphics must appear on the front and sides of the Player Activated Terminal.
6. It is **desirable** that the casing material for each of the Player Activated Terminal be extremely durable and resistant to illegal entry.
7. Every Player Activated Terminal must be prominently labeled, in the immediate vicinity of the bill acceptor, with the following language (verbatim):
    - "Players must be 18 years of age or older to play";
    - "This machine does not give change";
8. It is **desirable** that the Player Activated Terminal must have visual instructions for product and supply loading located inside the machine.
9. It is **desirable** that each unit has a work area built into the machine to allow retailers to place tickets and supplies in a convenient area while working inside the unit.
10. Units must be constructed from new equipment with no refurbished parts and must meet all requirements established by industry standards.
11. Video screen/monitors may be used to display available games and to constantly draw attention to the product.
12. Units must be able to accept and dispense "die cut" tickets.
13. It is **desirable** that the unit be space efficient. Vendors must describe a 24 game unit in detail with all exterior overall dimensions.
14. It is **desirable** that the doors to the units open, close and lock efficiently with minimal effort.
15. It is **highly desirable** that live, sample, or images of tickets be displayed in the most effective manner and that the display area be large enough to display a minimum of a 4"wide x 4" high ticket.
16. The Player Activated Terminal must include an optical scanner to process, load, activate, track and set up instant tickets as well as the ability to cash on-line and instant tickets.
17. The optical scanner must have a manual entry override feature.

18. It is **desirable** that the units have bases usable for storage. Vendors must accurately define the length, width, height and cubic area of the storage space of all of their proposed units. Storage areas must not contain any mechanisms or components.
19. It is **desirable** that the units have sound with volume control and on/off switch.
20. It is **desirable** that video screen(s) are available with the unit (to show the GUI interface as well as for advertisement or Amber Alerts).
21. It is **mandatory** that all components can be accessed from the front of the Player Activated Terminal.
22. It is **desirable** that, whether separately lit or through indirect lighting, enough light is available inside the machine when the door is open to provide a comfortable level of light for filling and/or working on the Player Activated Terminal.
23. It is **desirable** that an "LED" type sign be available for the top of the Player Activated Terminal which has the ability to be programmed from the Braintree facility. Please describe how this will be accomplished. In addition, any costs associated with the "LED" type sign, if any, must be completely itemized and **submitted separately in Parts A and B of the Cost Table**. **Cost figures must not be submitted as part of the response to this section of the RFR**. It is **desirable** that the "LED" type sign and transmission method be as efficient and cost effective as possible.
24. It is **highly desirable** that the Lottery products be displayed in the most effective manner.
25. It is **desirable** that the machine be brightly lit.
26. It is **highly desirable** for the Terminal to draw attention for impulse purchase.
27. It is **highly desirable** for Terminal to be user friendly.
28. It is **highly desirable** for the Vendor to explain in detail demonstrated solutions to move and transport the terminal.
29. It is **desirable** that the Player Activated Terminal display jackpot amounts for all jackpot driven on-line games.
30. It is **desirable** that the Player Activated Terminal use as little floor space as possible. Response must include all dimensions to accurately determine the true overall space needs of the machine.
31. It is **desirable** that the Player Activated Terminal utilize quality materials that will accomplish all the functional, operational, administrative and security requirements contained in this RFR while minimizing the overall weight of the machine. Response must include the total weight of a twenty four (24) game machine (empty).
32. The Player Activated terminals must be capable of reading all MSLC Bet Slips.

Consumer Requirements

1. Units must have a display showing existing credits and messages (such as "Make another selection"). The Vendor must describe its messaging capabilities.
2. It is **desirable** that the unit include a retailer notification of low bin inventory.
3. Player Activated Terminal must retain a players unused credit if the Player Activated Terminal needs to be opened before the player has completed his/her transaction and that customer can then use his/her credits by selecting additional tickets.
4. Customer's credits must be clearly displayed on the front of the Player Activated Terminal and that credits will decrease as customers use credits. The Player Activated Terminal display must notify the player when all their credits have been used.
5. Player Activated Terminal must alert consumers of an existing out of stock condition for any dispenser before any money is inserted.
6. Player Activated Terminal must be capable of cashing MSLC instant tickets that utilize a bar code (to be determined) underneath the latex. This machine shall also be capable of cashing ALL MSLC on-line tickets.

Currency Acceptor

1. Each unit must clearly state what currency denominations it will accept and must show how the currency is to be inserted.
2. Currency acceptors must accept $1, $5, $10, $20, $50 and $100 US bills.
3. Currency acceptors must be jam-resistant and tamper-resistant.
4. The currency accepter section of the terminal must be easily read and well lit.
5. The currency acceptor/stacker must be sensitive enough to reject counterfeit or altered currency and must accept only genuine U.S. currency.
6. It is **desirable** that the MSLC be able to disable (and activate) the units ability to accept certain bills if the MSLC so desires.
7. The currency acceptors must be easily updated to accept any new versions of paper currency that the Federal Government is planning to introduce. Vendor must describe the updating method completely. The cost to update the currency acceptor to new versions of currency must be included in Attachment C – Cost Table, Part E. Do not include any costs as part of the response to this section of the RFR.
8. It is **mandatory** that the currency acceptor must have an acceptance/rejection percentage for US bills of 98% acceptance and 100% rejection of counterfeit/bogus bills.
9. It is **desirable** that the currency acceptor accept bills face up from either the left or right side without being susceptible to counterfeit bills.
10. It is **desirable** that the currency acceptor have a storage capacity of 1,000 bills.
11. It is **desirable** that the cash storage areas are easily accessed.
12. It is **desirable** that the currency acceptor be easy to access, remove and replace.
13. It is **mandatory** that the currency acceptor trap the bills inserted in a manner that prevents the bill from being removed from the insertion slot or by any other means.
14. It is **mandatory** that the currency stacker be secure and completely self-contained with a separate lock.
15. It is **mandatory** that the currency acceptor be designed to defeat all known methods used in cheating them.
16. It is **desirable** that the currency acceptors have more than a 1 year warranty on parts and labor. Vendor must state complete warranty coverage in detail but not mention the cost it anticipates to absorb as a result of proposing a warranty greater than 1 year.
17. Player Activated Terminal must be provided with two bill magazines (one in-use, one spare).
18. It is **desirable** that the PAT be equipped with a JCM DBV-302 Bill Acceptor unit as manufactured by the JCM Corporation.
19. It is **desirable** that the Lottery have the ability to convey to the winning bidder what currency will be accepted.
20. It is **desirable** that the Player Activated Terminal support current means of payment such as cash but be configurable to allow mobile payment or through the network and so on.

Dispensers

1. It is **mandatory** that each dispenser be capable of handling at least one (1) book of the following configurations of fan folded tickets.

Size of Ticket	# of tickets Per Book	# of tickets Per Fold	#of Folds	Ticket book Size
2.25" x 4"	300	4	75	4" wide x 9"long x 1" thick
3" x 4"	300	3	100	4"wide x 9"long x 1.33"thick
4" x4"	300	2	150	4"wide x 8"long x 2"thick
4"x 4"	150	2	75	4"wide x 8"long x 1"thick
4" x 6"	100	1	100	4"wide x 6"long x 1.33"thick
4" x 6"	150	1	150	4"wide x 6"long x 2" thick
4" x 8"	100	1	100	4"wide x 8"long x 1.33"thick
4" x 9"	100	1	100	4"wide x 9"long x 1.33"thick

2. Flawless ticket dispensing is **mandatory**.
3. Bins must be able to dispense tickets that are up to 12 inches long.
4. Units must include a positive pack connection system for connecting ticket packs.
5. It is **mandatory** that each dispenser or modular dispenser system is easily exchangeable as an entire unit.
6. It is **desirable** that each dispenser be capable of handling 2 books of the fan folded ticket book. Vendors must specifically state the number of books its dispenser can handle.
7. It is **mandatory** that all tickets in a book are dispensed by the Player Activated Terminal (i.e. all 300 out of a book of 300) without causing dispensing difficulties.
8. Player Activated Terminal must burst or cut tickets in a manner that does not distort the tickets such that the quality appearance is compromised.
9. It is **desirable** that dispensers are configured such that they are easy to access, remove and replace.
10. Dispensers shall be limited to a 4" wide ticket.

Security

If the response provides a wireless solution, that solution:

1. A wireless solution must be secure, and must not allow data to be manipulated.
2. A wireless solution must not interfere with other dispensing terminals at neighboring locations;
3. A wireless solution must not interfere with other retailer operations.
4. A wireless solution must state its minimum and maximum effective range.
5. The Self Service/Player Activated Terminal must be provided with, as a minimum: four (4) keys for every entry door into the machine cabinet and four (4) keys for the bill acceptor.

Cabinet keys must never open the bill acceptor units; they must be unique to each unit. Bill acceptor keys must also be unique to each unit.
It is **mandatory** that each Self Service/Player Activated Terminal have separate, unique keys to both the cabinet and bill acceptors, no two Self Service Player Activated Terminals can have the same key.
Each Self Service/Player Activated Terminal must be delivered with (2) cabinet keys and two (2) bill acceptor keys in the "installation kit box" that belongs with each individual machine. Location of the installation kit box to be in a mutually agreeable location.
The other two (2) spare cabinet keys and two (2) spare bill acceptor keys must be inserted into a 3 ½ "x 2 ¼" Kraft manila envelope. Each envelope must be individually labeled with the appropriate unit serial number and appropriate MSLC asset tag number. It is **desirable** that each key be etched with the unit serial #.

6. Player Activated Terminal must have multiple password capability. The MSLC will establish all password security parameters; therefore, this must be a programmable multi-level capability.
7. Each Player Activated Terminal must have its own unique serial number.
8. Player Activated Terminal must be provided with a door open alarm, power fail alarm and a tilt alarm.
9. The successful Vendor will be required to apply an MSLC asset tag on each Player Activated Terminal for inventory tracking purposes.
10. The Vendor solution must assure that the Player Activated Terminal and any in-store communication not be vulnerable to unauthorized access or other attacks.

Sample Units

It is **mandatory** that Vendors deliver one (1) "sample unit" of unit contained in their submission to MSLC Headquarters **no later than the deadline for the submission of written proposals on these units**. The unit may be focus group tested with both consumers and agents and will be evaluated by MSLC personnel, as part of the evaluation process, such things as the following may be examined with points awarded:

a. Appearance
b. Ease of use (is the unit user friendly)
c. Speed of operation
d. Method of ticket delivery (i.e. bursting into tray etc.)
e. Game visibility
f. Communication
g. Size
h. Data supplied by the unit
i. Ease of loading
j. Ease of money removal
k. Security issues
l. Ease of setting ticket sizes
m. Ease of getting reports
n. Ease of Repair
o. On-line Service Manual
p. Impulse driven
q. Overall transaction time
r. On screen diagnostic from retail side and technician side

In general, the testing will be undertaken to get a sense for the efficiency and reliability of the equipment.

Technical Support Service Requirements

NOTE: All costs associated with Technical Support service relating to Player Activated Terminal operation and Player Activated Terminal maintenance must be included in the costs quoted for the Player Activated Terminal. Spare parts costs must be quoted separately. The spare parts costs to the MSLC to commence only after the one-year warranty period except for the spare parts purchased by the MSLC for supply chain management by MSLC Field Service personnel.

ALL COSTS MUST ONLY BE SHOWN IN ATTACHMENT C – COST TABLE. COSTS ASSOCIATED WITH THE TECHNICAL SERVICES MUST BE INCLUDED IN PART D AND COSTS ASSOCIATED WITH SPARE PARTS MUST BE INCLUDED IN PART C.

Player Activated Terminal Operations. (Sales Personnel)

1. It is **desirable** that the vendor provides a complete and detailed description of all phases of the Sales Personnel training program.
2. Vendor must provide a DVD training demonstration of the machine.
3. It is **desirable** that the vendors provide formal on-site classroom training by an experienced vendor operator/instructor on the operation of Player Activated Terminal for approximately seventy (70) employees. This must include at least one (1) full day at all five MSLC locations.
4. Vendor must provide up to 90 days of on-the-job training wherein an experienced individual from the selected vendor's operation staff is available on-demand to the MSLC to reinforce training, help prepare a training visual and a sales agent operator guide, answer questions and be available for any contingency while the MSLC's representatives become proficient at operating the Player Activated Terminal.
5. Vendor must provide one hundred (100) copies of detailed operating manuals to be delivered to the MSLC at the beginning of on-site classroom training. These manuals are to be user friendly for MSLC personnel as well as retail agents. They are to contain information about each machine from an operational standpoint. The successful vendor is expected to work closely with MSLC personnel to meet this goal.
6. It is **desirable** that the vendor provides one hundred (100) copies of a "Quick Reference" guide to contain information about each machine from an operational standpoint.

Player Activated Terminal Maintenance. (Technicians)

1. It is **desirable** that the vendor provides a complete and detailed description of all phases of the technical training curriculum with manuals.
2. It is **desirable** that the vendor provides formal on-site classroom training by an experienced technician/instructor proficient in all technical repair/preventive maintenance procedures at each of the five Lottery district offices. The Lottery has repair facilities at each of the five regional offices that perform a screening procedure for all terminal parts removed in the field as defective by FSTs.
3. Training must include a preventive maintenance guide and a trouble shooting guide. Vendor must provide 75 copies of each at time of training. Vendor must also provide 10 copies of detailed schematics or Block/Wiring Diagrams for all major sub-assemblies and harnesses. These guides are to be user friendly for MSLC service technicians. They are to contain detailed functional operations of all subassemblies, block wiring diagrams, trouble shooting techniques etc. The successful vendor is expected to work closely with MSLC personnel to meet this goal.

4. Training Classes at each Region will consist of roughly 15-20 employees.
5. Vendor must provide a DVD demonstrating training for technicians.
6. It is **desirable** that the training be divided into two levels:

   Level One (FST) should emphasize repair and upkeep of the Terminals at the Agent location with particular emphasis on minimizing terminal downtime and performing preventive maintenance.

   Level Two (Regional Bench Technicians) should be directed at the in-house staff responsible for the repair and upkeep of terminal field hardware (sub-assemblies) removed from an agent location as defective.

7. Post Warranty Coverage Training: It is **desirable** that the vendor provide, in addition to those classes listed above, an in-depth training seminar to the Technical Support central repair staff for the purpose of absorbing the repair and maintenance of all sub-assemblies previously shipped to the vendor for repair under the warranty provision.
8. Vendor must provide a list of all spare parts for each Player Activated Terminal.
9. Vendor must provide a complete Bill of Materials for a PAT with pricing. <u>All costs associated with the Bill of Materials must be shown on Part L of the Cost Table-Attachment C, only.</u>
10. Vendor must provide list of recommended sources for spare parts, where the MSLC may purchase.
11. Vendor must provide an agreement to sell to the MSLC, spare parts at prices then in effect, although the MSLC reserves the option to purchase spare parts directly from vendor sources or from its own sources.
12. Vendor must provide a recommendation and an agreement to sell any specialized test equipment at published prices which would facilitate maintenance of the Player Activated Terminal.
13. Vendors must list all proprietary parts contained in the Player Activated Terminal. It is **desirable** that there are no proprietary parts in the Player Activated Terminal.

Player Activated Terminal Information Systems. (Programming Personnel)

1. It is **desirable** that the vendor provides a complete and detailed description of all phases of the Programming Personnel training program.
2. Vendor must provide formal on-site classroom training by an experienced vendor programmer/instructor on the programming of Player Activated Terminal for approximately six (6) employees. This must include adequate time at the Braintree facility.
3. Vendor must provide up to 90 days of on-the-job training wherein at lease one (1) experienced individual from the selected vendor's programming staff is available on-demand to the MSLC to reinforce training, answer questions and be available for any contingency while the MSLC's programmers become proficient at programming the Player Activated Terminal.
4. Vendor must provide twelve (12) copies of detailed programming manuals to be delivered to the MSLC at the beginning of on-site classroom training.
5. The manuals should be as thorough as possible for the transfer of technology process to occur. The successful vendor is expected to work closely with MSLC personnel to meet this goal.

Consideration for Supply Chain Management – Spare parts:

The MSLC supports its own terminal architecture via a Central Repair Facility, Five Regional Repair Centers, and 40 Field Service Technicians. Spare parts estimates should be based on stocking each vehicle with at least one of each major component, adequate stock for each regional depot to manage a field staff of eight, and a central repair/distribution center to support the five regional's. Suggested stock levels should be adequate to support 350 PATS distributed throughout the five regional depots during warranty coverage and account for repair turn around time from the successful vendors' repair facility.

All Packaging used by the successful vendor to ship/stock/store PAT equipment/parts in vehicles and depots must be included on the Cost Table.

It is **mandatory** that each vendor include an itemized list of post warranty repair charges for all sub-assemblies and components within each PAT in the event the MSLC chooses to forego repairing some items with their in-house repair staffs. Turn around times between vendor and MSLC Braintree should be included.

Vendors' list should include any and all items considered repairable items at their facilities management sites.
Examples: Currency Acceptors, Ticket Dispensing Mechanisms, All PCBs, Touch Screens, LED signs, Lock Mechanisms, Printer, Scanners, etc. etc.

It is **mandatory** that any and all test beds and diagnostic equipment used by the successful vendor's repair staff be made available to MSLC repair staff.

Failure Rates

1. Vendors must provide the experienced and/or anticipated mean time between failures for the major components in each of the Player Activated Terminal contained in their response. Components should include, as an example, all PCB's, burster, printer, bill acceptor, monitor, LED sign, etc.
2. It is **desirable** that Player Activated Terminal have the longest mean time between failure.
3. Vendors must provide the anticipated life expectancy for each machine.
4. It is **desirable** for a Player Activated Terminal to have the longest anticipated life expectancy.

PART 3 - GENERAL BUSINESS SPECIFICATIONS

Delivery of Proposals

Delivery of the proposals and test Player Activated Terminal shall be at the vendor's expense. Any and all damage that may occur due to packing or shipping shall be the responsibility of the vendor.

LATE SUBMISSIONS OF WRITTEN PROPOSALS AND/OR THE PLAYER ACTIVATED TERMINAL SAMPLES, FOR ANY REASON, WILL BE REJECTED

Anticipated Order Quantities

It is anticipated that the MSLC will be ordering the following quantities:

Year One-	24 Bank	350 Terminals
Year Two-	24 Bank	500 Terminals
Year Three-	24 Bank	250 Terminals

Delivery Requirements and Warehouse Management Systems

1. The vendor must provide on each outside shipping corrugated sleeve a 4" x 6" label. This label **must** contain in barcode 3/9/HRD or 128/HRD format the following:

   Product/Part Identification Number
   PAT Terminal Serial Number
   MSLC Asset Tag Number
   Date Delivered
   Purchase Order Number

2. Delivery to be free of any charges to the MSLC and be included in the price per terminal.

3. Platform delivery is required and be from 6:45am – noon weekdays, unless prior arrangements have been made.

4. PAT's are to be shipped in sealed, pad locked; exclusive use trailers directly from the vendors plant to a MSLC warehouse location. These trailers must not stop to deliver anything anywhere except to the specific MSLC warehouses. These trailers must not carry anything else except MSLC PAT's.

WAREHOUSE MANAGEMENT SYSTEM REQUIREMENTS

The Warehouse Management System (WMS) tracks the receipt of a Self Service/ Player Activated Terminal, the physical location of a Self Service/Player Activated Terminal in any MSLC warehouse, and the transferring of a Self Service/Player Activated Terminal between any of the MSLC warehouses or offsite vendor warehouses. In addition, it tracks the status of a Self Service/Player Activated Terminal as to whether it is in stock, new, used, and whether it needs reconditioning or has been delivered and installed at an MSLC Sales Agent location. Additions/Deletions to the WMS requirements may occur during the life of the contract as the WMS evolves.

Labels

Some labels to be provided by the MSLC and some labels to be provided by the successful vendor.

- **Labels provided by the MSLC:**

The MSLC will supply the successful vendor with the following items to allow the product provided by the Vendor to be received by and tracked within the WMS system:

- Pallet Identification Labels (PID) – (See WMS Attachment A)
- MSLC Asset Tags – (See WMS Attachment C)

The PID Label shall be as follows:

PID Label – A 4" x 6" pressure sensitive MSLC supplied label, ½" magenta stripes on top and bottom borders and ¼" magenta stripes on left and right borders. There is a unique 14 character numbering sequence to each and this PID label must be inserted in the vendor supplied packing pouch (such as 3M UPC part # 021200-62224), adhesive backing intact.

The Asset Tag shall be as follows:

Pressure sensitive, seven (7) characters positioned in a mutually agreed upon position. It is used by the MSLC to internally track the asset; it is white mylar stock with a permanent adhesive back. It contains seven (7) digits, the first six (6) are sequential and the seventh (7) is a check digit based on a mod 6 algorithm, the bar code is 3 of 9 human readable.

- **Load Tag Labels provided by the Vendor:**

Two (2) 4" x 6" UPS type white label (adhesive intact) per Self Service/Player Activated Terminal. This label contains certain information on it for the MSLC to scan. (Note that only one (1) of those labels will be inserted into the vendor supplied packing pouch with the adhesive back intact on the corrugated sleeve).

Labels are to be 3/9 HRD or 128 HRD barcode, height one (1) inch minimum. There may be a requirement at a future date to add additional bar coded information to accommodate the WMS labeling requirements. (See WMS Attachment B)

- **Label Format For Bar Code Sections of Load Tag**

The 1st line of the white bar coded label must be 24 characters in length, an example is as follows:

PC09141143 1 0558 102110

1. The format of the 24 characters is as follows:

2. Purchase order # (10 characters) in this example is PC09141143

3. A Blank Space (1 character)

4. 1 is the first line from a purchase order for, it could increase up to a "6" depending on PO form, but typically is always a "1" (1 character).

5. A Blank Space (1character)

6. Skid # (4 characters) – This unique # will be the starting skid number and will start with 0001 and run consecutively), in this example it is skid 0558.

7. A Blank Space (1character)

8. MMDDYY (this will be the manufacture date and will be referred to as the "Born on Date"), in this example the date is 102110 (6 characters).

9. Also included on this load tag label must be the seven (7) character asset tag number assigned to each Self Service/Player Activated Terminal must be on each 4" x 6" white bar coded label (See WMS Attachment C).

Packaging of Self-Service/Player Activated Terminals

Each Self Service/Player Activated Terminal must have an MSLC asset tag applied in a mutually agreeable location directly on the unit.

Each Self Service/Player Activated Terminal must have a vendor supplied packing pouch on the corrugated sleeve, which will include the following:

- PID label (with adhesive backing intact) (See WMS Attachment A)
- One (1) 4" x 6" UPS type label – (See WMS Attachment B)

Each Self Service/Player Activated Terminal must be covered with a corrugated sleeve and a corrugated cap to protect the equipment. Each PAT must have a gusseted poly bag that completely covers the PAT from top to bottom, bag to be a minimum of 8 mil. Each PAT must have four (4) corner boards, 3" x 3" minimum, a minimum of 3" above the height of the PAT. These corner boards must be on each of the four (4) sides to minimize any damage to the four (4) corners and any items on the top, such as antennas etc. This sleeve must be Kraft, HSC TOP, stitched with double wall, 80 ECT, 350# test. This sleeve must be labeled "Front" on the front of the Self Service/Player Activated Terminal and "Back" on the back of the Self Service/Player Activated Terminal. Each Self Service/Player Activated Terminal must have one 4" x 6" vendor supplied label (adhesive intact) in the packing pouch, with the MSLC provided PID (adhesive intact) behind it in the vendor supplied packing pouch.

Information Required Prior to Shipment of Goods:

Prior to any product leaving the Vendors plant, the following must be sent/transmitted to the MSLC:

- One (1) 4" x 6" UPS type label (the other correct white label contained in the packing pouch sent with the unit) and a copy of the correct PID label (stapled behind the white label) contained in the packing pouch must be sent to the MSLC designated person in an overnight package. This overnight package will be used to scan all products into the WMS at the Braintree Headquarters, regardless of actual delivery location. This will be addressed to a designated person at the MSLC, it must arrive two (2) days before the actual units are delivered.

- The PID label information and the white UPS type label information must be sent electronically to a designated person at the MSLC. It should contain the PO #, Line #, Skid #, Born on Date, PID #, Asset Tag #, Unit Serial #, Door key Number and Bill Acceptor Key Number for each unit, in an excel type format. (See WMS Attachment D)

Delivery Information:

Partial/Drop shipments of Self Service/Player Activated Terminals may be required to be delivered to any of the following seven (7) locations. These addresses may increase and/or change throughout the contract period. They are as follows:

- Springfield MSLC office
  20 Fort Street, Springfield, MA 01103

- Worcester MSLC office
  151 West Boylston Drive, Worcester, MA 01606

- Woburn MSLC office
  11 Cummings Park, Woburn, MA 01801

- New Bedford MSLC office
  200 Theodore H. Rice Blvd, New Bedford, MA 02745

- Braintree MSLC office
  60 Columbian Street, Braintree, MA 02184

- Canton MSLC Warehouse
  40 Industrial Drive, Canton, MA 02021

- Sterling Movers MSLC Off-Site Warehouse
  20 Industrial Drive, Chelmsford, MA 01824

- All delivery charges, etc., must be included in the price per Self Service/Player Activated Terminal.

- Platform deliveries required.

- Deliveries must be made between 6:45am – noon, weekdays, unless prior arrangements have been made.

- Self Service/Player Activated Terminals are to be shipped in sealed, padlocked, exclusive use trailers, going directly from a vendor's plant to a designated MSLC warehouse location.

- Each sequentially numbered shipment must be accompanied with a packing slip which lists the Purchase Order #, Shipment #, and the total of the Self Service/Player Activated Terminals in the exclusive use, secured trailers, as above.

Due to the weight of these Self Service/Player Activated Terminals the MSLC request that all vendors describe in detail how they move and relocate these units internally in their warehouses.

Inspection and Quality Control

1. Vendors must describe in detail, the preparation, inspection and quality control procedures used by the vendors prior to shipment to the MSLC. It is **desirable** that the preparation, inspection and quality control procedures used by the vendors prior to shipment to the MSLC be complete and thorough to make the Player Activated Terminal ready for use upon arrival at the MSLC facilities.

Player Activated Terminal Delivery Schedule

Vendors must describe in detail their delivery schedule (in a format similar to that shown below). It is **desirable** that the Vendor meet the delivery schedule listed below:

Interval	Elapsed Time From Contract Award Date	Cumulative # of Machine at MSLC	(Individual Machine Type) 24 Bank
1	8 weeks	40	40
2	9 weeks	80	40
3	10 weeks	120	40
4	11 weeks	160	40
5	12 weeks	200	40
6	13 weeks	250	50
7	14 weeks	300	50
8	15 weeks	350	50

It is **desirable** that the Vendor exceed the delivery schedule both in time and increased quantity.

Non-Conforming Deliveries

Should the testing or inspection of Player Activated Terminal received under this contract and/or stored result in the conclusion that the products fail to meet the requirements of any specification, the Player Activated Terminal may be rejected and the vendor may be required to replace same at no additional charge to the MSLC. The cost for the return of such Player Activated Terminal is to be borne by the vendor. In the event the Player Activated Terminal does not conform to the specifications, the Lottery reserves the option to cancel remaining orders placed with the vendor, to delay the placement of future orders until the quality standards are met or, to cease ordering any additional Player Activated Terminal from the vendor.

Delivery Penalty

A delivery penalty of up to $100 per day per Player Activated Terminal may be payable by credit on the next invoice to the MSLC, at the option of the MSLC for any delay in vendor-quoted and MSLC-accepted delivery dates for Player Activated Terminal. Such penalties will not be levied for delays caused by factors completely out of the vendor's control (e.g. flood, tornado, natural disasters).

Warranty

The MSLC requires that a full, complete and comprehensive warranty be provided in the contract with the selected vendor for a period of one year after acceptance by the MSLC. All equipment delivered and services performed under this contact shall be free of defects in design, workmanship and materials. In such cases where it is determined such defects are present, they shall be corrected by the vendor at no cost to the MSLC. **Acceptance by the MSLC is defined as that point in time at which an individual Player Activated Terminal is placed in service and Instant Tickets and/or on-line Lottery Products are sold through the Player Activated Terminal.** Payments by the MSLC to the Vendor shall be made in a timely fashion after delivery to the MSLC. Vendors will not have to wait for "acceptance", as defined above for warranty purposes, for payments for Player Activated Terminal received by the MSLC in apparent good condition.

Contract length and the delivery schedule require Player Activated Terminal and the major sub-assemblies to be delivered at various times throughout the term of the contract. It is **desirable** that the Vendor describe in detail the method to be used to track start dates and end dates for both Player Activated Terminal and the individual sub-assemblies. Specifically, what method will be used to track warranty coverage (start and end dates) for major sub-assemblies within a Player Activated Terminal delivered in year one during contract years two and three?

It is the intention of the MSLC to place the terminals in service within two (2) years of delivery to the MSLC. Terminals will be dependent on the necessary communications being properly installed.

Removal/Installation Service

The Removal/Installation Service includes delivery of each Player Activated Terminal directly to the retail location from the Vendors manufacturing facility/storage area without MSLC resources involved except for the necessary retailer coordination and scheduling.

The removal service must include the disconnection and removal of the old Player Activated Terminal from each retail location and return of each old Player Activated Terminal to the MSLC Canton Warehouse.

The installation service includes the initial installation of each machine at time of delivery from the successful Vendors manufacturing facility/storage area to each agent location. Costs to include all freight, local trucking, labor, insurance, permits and any other costs associated with delivering a Player Activated Terminal inside a retailer location including set-up so that the Player Activated Terminal is ready for use.

(This is an optional item the MSLC may want to purchase)
The actual Costs associated with the Installation/Removal Service section of the RFR must only be included in Attachment C – Cost Table, Part I

B. Contract Requirements

1. Vendor Requirements

To be eligible for contract award, a Vendor **must** meet the following qualifications:

a) Vendors **must** have been in a business similar to that described in this RFR for a minimum of three (3) years and have the demonstrated experience and capacity to handle the requirements herein.

b) Vendor **must** agree to the terms and conditions contained within the Commonwealth Terms and Conditions attached hereto as Attachment A.

c) Vendor **must** comply with all Federal, State and local rules and regulations as they apply to the work to be performed under this RFR.

d) Vendor **must** provide a minimum of three (3) references from the past three (3) years for which work has been performed similar in scope and size to that specified in this RFR. (See Attachment F)

e) Vendor **must** provide, if applicable, a detailed description of information regarding any company bankruptcy proceedings, criminal investigations, charges filed against the company, directors or managers, any mergers, acquisitions, etc, and any name changes within the last five (5) years. The MSLC reserves the right to obtain, from sources other than the Vendor, information concerning a Vendor, the Vendor's capabilities and the Vendor's performance under other contracts which the MSLC deems pertinent to this RFR and to consider such information in evaluating the vendor's bid.

2. Written Inquiries

*Vendors may submit questions concerning this RFR no later than the date and time specified in Section IX A, Procurement Calendar. They may be mailed, emailed, faxed or delivered. The Procurement Management Team will review and consolidate inquiries received before the deadline, prepare written answers and mail or fax them to each qualified Vendor that has registered for this RFR with the MSLC. All responses will also be posted on the Commonwealth Procurement Access and Solicitation Site - www.**comm-pass**.com. The source(s) of the question(s) will not be revealed.*

*All inquiries **must** be made in writing to:*

Donna M. Walsh
Massachusetts State Lottery Commission
60 Columbian Street
Braintree, MA 02184
Tel: (781) 849-5674
Fax #: (781) 849-5579
Lotteryprocurement@masslottery.com

This inquiry procedure provides the only means by which a Vendor may request information on the performance, business and procedural requirements of this RFR, including the mandatory Commonwealth Terms and Conditions in Attachment A.

*Vendors are cautioned that an inquiry should be presented in generic terms and **MUST NOT CONTAIN COST DATA**. The inclusion of cost information in an inquiry may result in the Vendor's disqualification.*

Section VIII - Instructions for Submission of Responses

1. Vendors must adhere strictly to the bidding procedures as outlined herein.

IMPORTANT

Responses to this RFR or any parts thereof received by the MSLC after the required date and time will be rejected as non-responsive to the RFR. Delivery of responses to any office or location other than the Lottery's Braintree office, will NOT constitute receipt by the MSLC. It is the sole responsibility of the respondent to ensure that responses are received at the proper location, prior to the stated deadline, and the receipt properly acknowledged by MSLC personnel.

Cost information must appear only as described below in Part 4 - Cost Table Preparation. Do not include cost information in any other part of the response. Inclusion of cost information in any other part of the response may result in disqualification of the response.

2. Bid Preparation

Response Format - All Responses **must** be presented using the same numbering and ordering sequence used in this RFR or as otherwise specified.

The following four (4) parts **must** be submitted for a Vendor's bid to be considered responsive:

Part 1 - Vendor Letter of Transmittal

Part 1 of the Bid response **must** contain a Letter of Transmittal from the Vendor signed by an individual authorized to bind the Vendor contractually. It **must**;

a. state that the Bid, including the prices in the Cost Table, will remain in effect for a period of 90 calendar days after the Bid Due Date given in the Transmittal Letter or until a Contract is made and approved, or the RFR is terminated, whichever occurs first;

b. include the name, title, address, telephone and fax numbers and email addresses of one or more individuals who can respond to requests for additional information;

c. include the name, title, address, telephone and fax numbers and email addresses of one or more individuals who are authorized to negotiate and sign a Contract for the Vendor;

d. include a statement that the Vendor has read and understands the technical and business specifications of this RFR and agrees that its Bid meets all the technical and business requirements of this RFR; and

e. state that pursuant to M.G.L. c. 7, s. 22 (20) the undersigned certifies under the penalties of perjury that this proposal is in all respects bona fide, fair and made without collusion or fraud with any other person. The word "person" shall mean any natural person, joint venture, partnership, corporation or other business or legal entity.

Part 2 - Response to Contract Terms and Conditions

Required Documentation - All Vendors will be required to complete, execute and return the following documents:

1. All Vendors **must** complete, execute and return the Commonwealth Terms and Conditions (Attachment A) attached to this RFR. If the Vendor has already executed and filed the Commonwealth Terms and Conditions, please indicate this in your Response. The Commonwealth Terms and Conditions shall be incorporated by reference into any Contract for Commodities and Services executed pursuant to this RFR. A Vendor is required to execute the Commonwealth Terms and Conditions only once.

2. All Vendors **must** complete, execute and return the Standard Contract Form (Attachment B) as follows:

(a) as the cover sheet to their Response. Failure to return a completed and executed Standard Contract Form will disqualify the Vendor's Response, and if necessary,
(b) upon selection for Contract negotiation and execution.

By executing the Standard Contract Form, the Contractor certifies under the pains and penalties of perjury that it has submitted a Response to a Request for Response (RFR) issued by the MSLC and that this

Response is the Contractors offer as evidenced by the execution by the Contractor's authorized signatory, that the Contractor's Response may be subject to negotiation by the MSLC, and that the terms of the RFR, the Contractor's Response and any negotiated terms shall be deemed accepted by the MSLC and included as part of the Contract upon execution of the Standard Contract Form by the MSLC's authorized signatory.

If you do not have a Vendor Code, leave that portion of the form blank.

3. Vendors **must** complete and sign a copy of Attachment D - "Request for Verification of Taxation Reporting Information" relating to Taxpayer Identification Numbers.

4. The requirements of Attachment E "Tax Compliance Certification Instructions" **must** be submitted with the bid certifying compliance with the laws of The Commonwealth of Massachusetts relating to taxes. This requirement applies to firms that have previously done business in the Commonwealth of Massachusetts. If your firm has not previously conducted business in the Commonwealth of Massachusetts, please state so on your letterhead and submit as part of Attachment E.

5. Pursuant to Executive Order 390, any contract with a potential financial benefit of $150,000 or more requires a vendor to complete applicable sections of Attachment G, Supplier Diversity Program (SDP) Form and include the required attachments **(Also, include a copy of the SOMWBA Certification letter for each SOMWBA Certified business)** for consideration in the scoring of their submission for any contracting opportunity with the Commonwealth of Massachusetts. The MSLC requires that this form and attachments **must** be submitted, regardless of the dollar value, with each bid. (Refer to General Information and Terms and Conditions, Supplier Diversity Program for further information and requirements)

6. Provide a completed Contractors Authorized Signatory Listing Form, Attachment H if the value of any contract resulting from this RFR is anticipated to exceed $50,000. **IMPORTANT: For corporations, please read the signature verification/authorization instructions carefully to avoid unnecessary delays in processing contracts.**

7. Vendors **must** complete the Authorization for Electronic Funds Payment Form, Attachment I. All vendors responding to this RFR **must** agree to participate in the Commonwealth Electronic Funds Transfer (EFT) program for receiving payments, unless the vendor can provide compelling proof that it would be unduly burdensome.

EFT is a benefit to both contractors and the Commonwealth because it ensures fast, safe and reliable payment directly to contractors and saves both parties the cost of processing checks. Contractors are able to track and verify payments made electronically through the Comptrollers Vendor Web system. EFT applications can be found on OSD forms page (mass.gov/osd). Additional information about EFT is available on the Vendor Web site (mass.gov/osc: click on MASSfinance).

Successful vendors, upon notification of contract award, will be required to enroll in EFT as a contract requirement by completing and submitting the Authorization for Electronic Funds Payment Form, Attachment I, to OSD for review, approval and forwarding to the Office of the Comptroller. If the vendor is already enrolled in the program, it may so indicate in its response. Because the Authorization for Electronic Funds Payment Form contains banking information, this form, and any information contained on this form, shall not be considered a public record and shall not be subject to public disclosure through a public records request.

The requirement to use EFT may be waived by the PMT on a case-by-case basis if participation in the program would be unduly burdensome on the vendor. If a vendor is claiming that this requirement is a hardship or unduly burdensome, the specific reason **must** be documented in its response. The PMT will consider such requests on a case-by-case basis and communicate the findings with the vendor.

8. Prompt Pay Discount Form – Attachment K. All vendors responding to this RFR **must complete** this attachment and agree **to** participate in the Commonwealth Prompt Pay Discount initiative for receiving early and/or on-time payments. Prompt Pay benefits both Vendor and the Commonwealth. Vendors benefit by increased, usable cash flow as a result of fast and efficient for commodities and services rendered. Participation in the Electronic Funds Transfer initiative further maximizes the benefits with payments directed to designated accounts, thus eliminating the impact of check clearance policies and traditional mail lead time or delays. Payments that are processed electronically can be tracked and verified through the Comptrollers VendorWeb system.

9. Commonwealth of Massachusetts State Lottery Commission's Disclosure Statement (Attachment L**) must** be completed with complete and accurate responses. In the event any information changes regarding these responses the MSLC must be notified in writing immediately.

10. Vendors **must** read, complete and sign the Certification of Compliance Concerning Personal Information and Personal Data (Attachment M).

Part 3 - Response To Contract Requirements

Responses must follow the Section and Paragraph numbering format of the requirements/specifications portions contained in this RFR when preparing their response in order for responses to be evaluated in an orderly and efficient manner.

Part 3 of the Bid response **must** consist of a complete response to Section VII of the Performance and Contract Requirements, in particular, paragraph B.1, Vendor Requirements.

Part 4 - Cost Table Preparation

COST INFORMATION MUST ONLY APPEAR IN THIS SECTION OF THE RESPONSE.

Part 4 of the Bid response **must** consist of the Vendor's Cost Table.

The Vendors Bid **must** include a fully completed Cost Table showing the applicable rates and charges for all products which will be made a part of the Vendors Contract. Include explanatory materials necessary for a full understanding of the data contained in the Cost Table.

The Vendor must use the Cost Table provided in Attachment C and shall make no changes, additions or deletions.

Costs which are not specifically identified in the Vendor's Response, and accepted by the MSLC as part of a Contract, will not be compensated under any Contract awarded pursuant to this RFR. The Commonwealth will not be responsible for any costs or expenses incurred by Vendors responding to this RFR.

The Cost Table of the winning Vendor will be made an integral part of the Vendor's Contract with the Commonwealth, and the Vendor will be held to these terms during the life of the Contract.

The Cost Table (Attachment C) **must** be completed comprehensively. When applicable, insert the expression N/C (No Charge) in the appropriate price column. If there is nothing inserted in a price column, the Procurement Board will assume N/C (No Charge).

The Cost Table (One Original)
must be sealed separately in an envelope and submitted with the bid.
Do not include the Cost Table in the bid or copies.

3. Submission of Bids

One (1) original, Ten (10) paper copies and a disk of the vendor's response and attachments must be delivered in the same sealed package no later than the date and time shown in Section IX, A. Procurement Calendar. **The Cost Table must be submitted under separate cover in a separate sealed envelope.** Failure to adhere to this requirement may result in the disqualification of the bid. Responses and attachments received after this deadline date and time will not be evaluated. A facsimile response will not qualify as a "submission" for deadline purposes in advance of or in lieu of a hard copy submission. Responses and attachments should be delivered to

Donna M. Walsh
Massachusetts State Lottery Commission
60 Columbian Street
Braintree, MA 02184

BIDS MUST BE CLEARLY MARKED -

"BID #LOT 1113"
"Self Service / Player Activated Terminal".

IMPORTANT: It is imperative that bids enclosed in "FedEx" or "UPS" type shipping containers must be clearly marked with the bid number and title on the outer most container in order to be distinguished from regular delivery items. For a bid to be responsive, it must be received by MSLC personnel prior to the bid due date and time. The MSLC will not be responsible for bid responses not properly marked

Vendors may submit more than one (1) bid. Each bid **must** be submitted under separate cover and shall be evaluated separately. Mail or personal delivery, hard copies required, sealed responses, no faxed or electronic responses.

The Cost Table (One Original)
must be sealed separately in an envelope and submitted with the bid.
Do not include the Cost Table in the bid or copies.

Section IX - Deadline for Responses and Procurement Calendar

Late bids will not be accepted under any circumstances.

A. Procurement Calendar

RFR #LOT 1113 SELF SERVICE/ PLAYER ACTIVATED TERMINAL

The dates and times for certain critical events relative to this RFR, including the release of this RFR, submission of bids, etc., are as follows:

	Day	Date	Time
Release of RFR	Monday	June 27, 2011	
Round 1			
Submission of Written Inquiries	Wednesday	July 6, 2011	4:00PM
Response to Written Inquiries (est.)	Wednesday	July 13, 2011	

(All Responses will be posted Commonwealth Procurement Access and Solicitation Site - www.**comm-pass**.com)

Round 2			
Submission of Written Inquiries	Tuesday	July 26, 2011	4:00PM
Response to Written Inquiries (est.)	Tuesday	August 2, 2011	
Response Due Date	**Wednesday**	**August 24, 2011**	**1:00PM**
Oral Presentations	To Be Determined		

Section X - Attachments

Attachment A - Commonwealth Terms and Conditions [Two (2) Pages]

Attachment B - Standard Contract Form [Eleven (11) Pages including the Standard Contract Form (One Page) and Instructions (Ten Pages)]

Attachment C - Cost Table [Three (3) Pages]

Attachment D – W-9 Request for Verification of Taxation Reporting Information [Two (2) Pages]

Attachment E - Certificate of Compliance [One (1) Page]

Attachment F - Business Reference Form [One (1) Page]

Attachment G – Supplier Diversity Plan (SDP) Form [Two (2) Pages]

Attachment H - Contractor Authorized Signatory Listing [Two (2) Pages]
(Required for Contracts Anticipated to exceed $50,000, or as required by the RFR)

Attachment I - Authorization for Electronic Funds Transfer (EFT) Payments [One (1) Page]

Attachment K- Prompt Pay Discount Form [One (1) Page]

Attachment L- Commonwealth of Massachusetts State Lottery Commission's Disclosure Statement [Three (3) Pages]

Attachment M- Certification of Compliance Concerning Personal Information and Personal Data Form [One (1) Page]

Attachment WMS A – MSLC Supplied PID Label [One (1) Page]

Attachment WMS B – Vendor Supplied Load Tag [One (1) Page]

Attachment WMS C – MSLC Supplied Asset Tag [One (1) Page]

Attachment WMS D – Vendor Supplied Excel Type Format Spreadsheet [One (1) Page]

Note: Attachments A, B, C, D, E, F, G, H, I, K, L and M are available in electronic form at www.comm-pass.com.